

MINUTES  
Interagency Purchasing Advisory Group (IPAG)  
February 15, 2006

Questions or issues to be presented at the meeting for general discussion may be sent to Mary Beckwith at [beckwithm@michigan.gov](mailto:beckwithm@michigan.gov), Sharon Maynard at [MAYNARS@michigan.gov](mailto:MAYNARS@michigan.gov), Penny Saites at DMB Acquisition Services [saitesp@michigan.gov](mailto:saitesp@michigan.gov), Natalie Spaniolo at [spaniolon@michigan.gov](mailto:spaniolon@michigan.gov), Marsha Stansfield at [stansfmk@michigan.gov](mailto:stansfmk@michigan.gov), or Arlene Wittenberg at [wittenberga@michigan.gov](mailto:wittenberga@michigan.gov).

#### GENERAL BUSINESS

Marge welcomed the group. The December 2005 and January 2006 minutes were reviewed. There were no special announcements for this month.

#### OFFICE OF FINANCIAL MANAGEMENT (OFM)

##### PA 533 EFT Compliance Monitoring Report

Marge announced that the first quarterly report to monitor agency compliance with the PA 533 requirement to pay vendors by EFT has been sent by OFM to the agency Chief Financial Officers. The first report contains only releases from Blanket Purchase Orders created on or after October 1, 2005 and indicates payments made by warrant to both EFT and non-EFT ready vendors at the time the MIDB query ran. Marge noted that only one EFT ready vendor was paid by warrant.

#### CIVIL SERVICE

##### Annual Report

Carol Hazard thanked the group for their assistance and cooperation in preparing the Annual Report, which was successfully completed on time. Carol did note one issue was the use of expired CS138 and requested any suggestions for preventing this practice in the future. Interested users may obtain a copy of the final Annual Report by contacting Carol Hazard at Civil Service.

#### INFORMATION TECHNOLOGY (DIT)

##### DIT Contracts

Karen Kalis informed the group that 17-inch flat panel screens are now the State standard and a part number for the four different types of imaging will be added to DIT purchase orders at zero cost.

##### Asset Management (ITAM)

User acceptance testing is complete. OFM has granted R\*STARS interface capability to DIT for ITAM contracts. Therefore, IT commodity purchase orders will not be done in ADPICS. DIT will pilot production first. Agencies will be trained and brought into production after successful completion of the pilot phase.

#### New Forms and Procedures

Agency training on the use of the new forms and procedures is complete. If agencies wish to receive a repeat of the training, contact Patty Rokely at DIT to make the arrangements.

#### Electronic Signatures

Agencies that wish to use a scanned signature may send the signatures to DIT, who will then scan the signature into a WORD document and return it to the individual signer to be put in their private drive for future use.

### **DMB ACQUISITION SERVICES**

#### Agency Update Log

Penny Saite asked how the group liked using the new Update Log to track the status of agency procurement requests sent to DMB Acquisition Services. The response was positive with a few suggestions offered. The Update log is located on the DMB Intranet at <http://connect.michigan.gov/portal/site/dmb/>. Select Business Services from the menu bar then, Statewide Purchasing; scroll down to the heading on the right titled Purchasing Update by Department.

#### Processing Time Frames

Penny distributed a handout of the DMB Acquisition Services time frame goals for procurement request processing as set forth in the Acquisition Services Letter #119.

#### DMB Reorganization

Sean Carlson announced his new position as DMB Senior Deputy Director. His new responsibilities include Acquisition Services, Logistics, Surplus, Mail and Delivery Services, Print and Graphic Services, Vehicle and Travel Services. DMB Acquisition Services is expected to have a name change in the near future and will consist of three divisions: Commodities under the direction of Tony DesChenes, Services (Material Resources/Operations and Professional Services) under the direction of Kristi Thompson and IT currently headed by Greg Fremouth.

#### DMB Acquisition Services Scorecard

Mr. Carlson gave a brief overview of two handouts distributed for the DMB Acquisition Services FY 05 Scorecard defining pre-award and post award procurement processing metrics. The Scorecard is used as an objective for improvement for DMB Acquisition Services.

## ROUND TABLE

### Vendor Compliance with PA 533

A question was asked of the group as to how to handle vendors who are not willing to register for EFT payments. One agency has established a “rule of thumb” that they will allow one payment to be made by warrant to enable the vendor to meet the EFT compliance requirement.

### Vendors Not Receiving Passwords

Vendors passwords are mailed to the 000 Mail Code Address. If the vendors are not updating this address when updating their registration file, the password could be going to the wrong address or not delivered. Vendor have the ability to update the 000 mail code on line by following the instructions for mailing passwords and tax reporting.

### Vendors Experiencing Registration Delays

Vendors may experience a delay in receiving their password and gaining access to update their registration file if the 000 Mail code is inaccurate, they requested a new password twice in the same day (this has been corrected systematically). Typically, the password is mailed the day after the vendor enters the request. The password is sent by US mail, which may take two to five days to reach the vendor.

Vendors who are in the process of becoming EFT ready must complete the EFT form and send it by US mail to OFM. The routing information must be verified by a pre note process, which could take up to 10 days to complete. If the pre-note process fails due to routing errors, this could take longer to resolve.

### MRO Blanket Purchase Order

Agencies have noted the new MRO contracts have lower pricing than the previous contracts. This is the resulting benefit of market research done by DMB Acquisition Services as part of the MI-Save initiative.

Agencies expressed concern regarding the format of the MRO Blanket Purchase Orders. They feel the BPOs are difficult to use in a statewide setting. Mr. Carlson requested and received volunteers to form a work group to determine how best to resolve the issues expressed such as commodity code selection, authorized user security and CS138. DMB Acquisition Services will be contacting the volunteers in the next few weeks.

**Present:**

Amy Epkey, Agriculture  
Tammie Flood, Agriculture  
Kathy Simpson, Agriculture  
Lisa Spalsbury, Agriculture  
Beth Ball, Attorney General  
Cindy Fournier, Attorney General  
Kim Davis, Civil Service  
Carol Hazard, Civil Service  
Laura Dotson, Community Health  
Laura Campbell, Corrections  
Sue Donaldson, Corrections  
Lisa Lehnert, Corrections  
Betsy Schoolmaster, Corrections-Adrian  
Marsha Stansfield, Corrections  
Hazel Outlaw, Corrections-MSI  
Nancy Taylor-Williams, Corrections-MSI  
Ruth Tholes, Corrections-MSI  
Robin Woods, Corrections-MSI  
Mary Beckwith, Education  
Duane Cortright, Environmental Quality  
Angela Williams, Environmental Quality  
Marina Kotsifis, Gaming Control Com  
Ginny Flynn, Human Services  
Miriam Norris, Human Services

Karen Kalis, Information Technology  
Kerri Thelen, Labor & Economic Growth  
Dick Hauser, Lottery  
Sean Carlson, DMB-Senior Deputy Director  
Tony DesChenes, DMB OAS, Commodities  
Kevin Dunn, DMB-OAS  
Penny Saites, DMB-OAS  
Kristi Thompson, DMB-OAS, Services  
Ken Mitchell, DMB Financial Services  
Natalie Spaniolo, DMB Financial Services  
Troy Bos, DMB Facilities  
Jim Schleicher, Military & Veterans Affairs  
Kris Squibb, Natural Resources  
Marge Fuller, OFM, Chairperson  
Chris Holly, OFM  
David Huntley, OFM  
Arlene Wittenberg OFM, Chairperson  
Betty Nixon, State  
Nina Heath, State Police  
Marsh Robert, State Police  
Rick Dolan, Transportation  
Tom Falik, Treasury  
Theresa Hettler, Treasury  
Adam Koenigcknecht, Treasury

**2006 IPAG Meeting Schedule**

March	15	Conference Room 1A, Grand Tower, Lansing
April	19	Conference Room 1A, Grand Tower, Lansing
May	17	Conference Room 1A, Grand Tower, Lansing
June	21	Conference Room 1A, Grand Tower, Lansing
July	19	Conference Room 1A, Grand Tower, Lansing
August	16	Conference Room 1A, Grand Tower, Lansing
September	20	Conference Room 1A, Grand Tower, Lansing
October	18	Conference Room 1A, Grand Tower, Lansing
November	15	Conference Room 1A, Grand Tower, Lansing
December	20	Deluca's Restaurant